

AMENDED IN SENATE AUGUST 23, 2007

AMENDED IN ASSEMBLY JUNE 1, 2007

AMENDED IN ASSEMBLY APRIL 19, 2007

AMENDED IN ASSEMBLY APRIL 11, 2007

CALIFORNIA LEGISLATURE—2007–08 REGULAR SESSION

## ASSEMBLY BILL

**No. 1159**

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**Introduced by Assembly Member Richardson**

February 23, 2007

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An act relating to state funds.

### LEGISLATIVE COUNSEL'S DIGEST

AB 1159, as amended, Richardson. State funds: fiscal review.

Existing law sets forth the duties of the Department of Finance in overseeing the financial activities of state agencies generally.

Existing law authorizes various state agencies to impose and collect fees to cover the costs of performing certain services.

This bill would require the Department of Finance to submit to the Legislative Analyst ~~and specified state agencies and departments~~ *a list of the fees identified in Schedule 8 of the Governor's Budget Summary 2007–08 that are remitted to the General Fund, and would require the Legislative Analyst to provide the head of each state agency and department identified as collecting any fees with a copy of the list.* This bill would require each of these ~~specified~~ state agencies and departments ~~to review and assess~~ *provide assistance to the Legislative Analyst in reviewing* whether the fees accurately or inaccurately reflect the full costs associated with the service or program for which ~~it the agency or department~~ charges a fee, ~~as specified, and submit the results to the~~

~~Department of Finance and the Legislative Analyst no later than July 30, 2008. The bill would require the Legislative Analyst to analyze review these specific fees and the results of the review and assessment of fees to determine whether the fees charged for each service or program covers cover, or more than cover, the cost to the state for providing each service or program, and to include its findings in its analysis of the 2009–10 Budget Bill.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. (a) The Legislature finds and declares as follows:
- 2 (1) The state budget has experienced several years of deficits,
- 3 reflecting a structural deficit of at least \$5 billion.
- 4 (2) Given the state's continuing funding crisis, there is a need
- 5 to conduct a comprehensive analysis of fees, including regulatory
- 6 fees, identified in Schedule 8 of the Governor's Budget Summary
- 7 2007–08 that are remitted to the General Fund to determine whether
- 8 state departments and agencies are properly collecting the amount
- 9 required or have adjusted their costs to reflect actual expenses,
- 10 and to identify needed changes to comply with relevant statutory
- 11 requirements.
- 12 (b) This act shall be known and may be cited as the State Special
- 13 Fund Fiscal Review Act of 2008.
- 14 SEC. 2. (a) *(1)* No later than January 30, 2008, the Department
- 15 of Finance shall ~~do all of the following:~~
- 16 ~~(1) Provide~~ *provide* the Legislative Analyst with a list of the
- 17 fees, including regulatory fees, identified in Schedule 8 of the
- 18 Governor's Budget Summary 2007–08 that are remitted to the
- 19 General Fund, and of each state agency and department that collects
- 20 these fees.
- 21 (2) ~~Provide the director or~~ *The Legislative Analyst shall provide*
- 22 *the* head of each state agency and department identified as
- 23 collecting any fees with a copy of the list created under paragraph
- 24 (1).
- 25 (b) Each state agency or department identified as collecting any
- 26 fees in the list created under paragraph (1) of subdivision (a) shall
- 27 ~~review and assess~~ *provide assistance to the Legislative Analyst in*
- 28 *reviewing* whether the fees accurately or inaccurately reflect the

1 full costs associated with the service or program for which it  
2 charges a fee, and whether any inaccuracy was the result of either  
3 undercharging or overcharging for the service or program..

4 ~~(e) Each state agency or department subject to subdivision (b)~~  
5 ~~shall submit to the Department of Finance and the Legislative~~  
6 ~~Analyst, no later than July 30, 2008, the results of each review and~~  
7 ~~assessment.~~

8 ~~(d)~~

9 ~~(c) The Legislative Analyst shall study the fees included in the~~  
10 ~~list created under paragraph (1) of subdivision (a) and compare~~  
11 ~~the results of the review and assessment of fees performed pursuant~~  
12 ~~to subdivision (b) to determine whether the fees charged for each~~  
13 ~~service or program covers the cost to~~ *review the fees included in*  
14 *the list created under paragraph (1) of subdivision (a) to determine*  
15 *whether the fees charged for each service or program cover, or*  
16 *more than cover, the cost to the state for providing each service*  
17 *or program. The Legislative Analyst shall include its findings in*  
18 *its analysis of the 2009–10 Budget Bill.*